

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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HAMILTON RESERVE BANK LTD.,	:	
	:	
Plaintiff,	:	22cv5199 (DLC)
	:	
-v-	:	<u>ORDER</u>
	:	
THE DEMOCRATIC SOCIALIST REPUBLIC OF	:	
SRI LANKA,	:	
	:	
Defendant.	:	
	:	
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DENISE COTE, District Judge:

Hamilton Reserve Bank Ltd. ("Hamilton") holds bonds issued by the Democratic Socialist Republic of Sri Lanka ("Sri Lanka"). Sri Lanka defaulted on those bonds, and Hamilton brought this action to recover damages.

On June 26, 2023, Hamilton filed a motion for summary judgment. The motion was fully briefed on July 31, 2023. This action was then stayed while Sri Lanka restructured its sovereign debt. The stay continued through January 15, 2025. Hamilton renewed its motion for summary judgment on January 17. Sri Lanka filed additional submissions opposing summary judgment on January 31, and Hamilton filed an additional submission in support of summary judgment on February 6.

The central issue remaining in dispute is whether Hamilton has established that it is the beneficial owner of the bonds.

In opposing Hamilton's motion for summary judgment, Sri Lanka filed a declaration pursuant to Rule 56(d), Fed. R. Civ. P., seeking discovery to determine whether some other person or entity has the real economic interest in the bonds held by Hamilton.

Where a party opposing summary judgment "shows by affidavit or declaration that, for specified reasons, it cannot present facts essential to justify its opposition, the court may . . . allow time to . . . take discovery." Fed. R. Civ. P. 56(d). The declaration must detail

(1) what facts are sought and how they are to be obtained, (2) how those facts are reasonably expected to create a genuine issue of material fact, (3) what effort affiant has made to obtain them, and (4) why the affiant was unsuccessful in those efforts.

Elliott v. Cartagena, 84 F.4th 481, 493 (2d Cir. 2023) (citation omitted).

Sri Lanka has shown that limited additional discovery is warranted. It seeks to explore whether Hamilton's internal records reflect that it is the beneficial owner of the bonds, and whether any other person or entity holds a beneficial interest. If Sri Lanka obtains evidence that Hamilton is not the beneficial owner, that could lead to dismissal of this action due to Hamilton's lack of standing.

Hamilton has, to be sure, provided some evidence of beneficial ownership. That evidence includes declarations from Hamilton's CFO stating that Hamilton is the sole beneficial owner of the bonds, account statements from Morgan Stanley and Interactive Brokers that are in Hamilton's name, and a resolution from Hamilton's Board of Directors stating that Hamilton "currently owns" the bonds, which it "acquired from the public market as part of the Company's investment management portfolio." Sri Lanka has shown, however, that discovery may reveal that Hamilton acted on behalf of another person or entity. That showing includes a 2023 declaration from Avinash Persaud, which is properly considered on this motion.

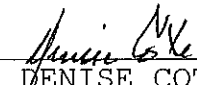
Sri Lanka also made an adequate effort to obtain discovery regarding beneficial ownership since the inception of this litigation. It served a relevant document request on April 17, 2023. After multiple meet and confers, it raised a discovery dispute on June 20, 2023. At a June 23, 2023 conference, the Court did not grant Sri Lanka's request for additional discovery but noted that it could reassert its arguments in opposition to summary judgment. Accordingly, it is hereby

ORDERED that Sri Lanka's request to take additional discovery is granted. The parties shall meet and confer by May 2, 2025 regarding the production of documents that are

responsive to the requests listed on page 7 of Sri Lanka's January 31, 2025 letter.

IT IS FURTHER ORDERED that the parties shall submit a status report by June 6, 2025.

Dated: New York, New York
April 24, 2025



DENISE COTE
United States District Judge